(b) and (c) The Board of Directors of HFC considered the matter in their meeting held on 9.2.1992 and unanimously resolved that in view of the critical financial position of the . Company; attempt should be mad$_c$ io find alternative employment for the staff working in FP&ARD; failing alternative employment within six months, the employees may be retired/discharged/ retrenched in accordance with the rules. By that time, the C°mpany bad not been referred to the BIFR. However, no staff was retrenched. The matter was again considered by the Board in March, 1993, and the Board took note of the fact that the Company management had s;;nt $_a$ detailed note to the Government bringing out the difficultiees jn continuing with the FP&ARD without any grant from the Government/external funding agencies. The Board, however, directed that the management may continue using the existing staff of FP&ARD and Incur minimum possible expenditure •ill the decision of the Government was conveyed to the Company.

***Hate* of Natural Gas to Prodrce Urea**

2290. SHRI BHUPINDER SINGH MANN: Will the Minister of CHEMI CALS AND FERTILIZERS be> pleased to state:

(a) the rate at which natural gas is made available to fertilizer plants for preparing urea;

•*b)* th$_e$ cost of urea-production; and

(c) what is the conversion cost of urea in other countries of the world, and details of the cost of each component of urea separately?

THE MINISTER OF STATE INTHE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (al At pesent. the price of natural gas supplied to ferlilizer plants at landfall point is Rs. 1750.00 per thousand cubic metres, excluding rovaltv. sales tax and transport charges. For gas supplied on HUT pipeline, trans-port charges *(S*> 'Rs-. 850.00 per thausand cubic metres are payable in eddition. The price of gas in the North East region is Rs. 1000/- per thousand cubic metres. A discount upto a maximum cf Rs. 400/- per thousand cubic metres is also available in the North East on a case-basis.

(b) The cost of production of urea by indigenous manufacturers varies from unit to unit depending upon the installed capacity, technology and feedstock used, as also the vintage of the unit. However, the current weighted average retention price (i.e. cost of production plus reasonable return on networth as determined by the Government for each unit) of urea is about Rs. 4900/- per tonne.

'c1 The details of cost of production of urea jn other countries is not available as the foreign suppliers do not normally divulge these facts.

Impact of Decentralisation of imports & Decontrol of Fertilizers on Fertilizer Industry

2291. SHRI KRISHNA KUMAR BIH-LA; Will the Minister $_0$f CHEMICALS AND FERTILIZERS be pleased to state:

ta) whether Government have made any critical analysis of the impact on the production and consumption scenario of fertilizers and overall setback tr} the fertilizer industry with the hike in the prices followed by decentralisation of imports besides decontrol of phospha-tic and potassic fertilizers;

(bl if so, the details thereof; and

fc) what measures are contemptable "by Government to resolve the problems of the fertilizer industry?

THE MINISTER OF STATE INTHE MINISTRY OF CHEMICALS AND FERTTLIZERS (SHRI EDUARDO FALEIRO); (a) to (c1 Decontrol of p^{r}ices of phosohatic and potassic fertilizers led to increase in their prices *ra the* open market, resulting in lower off-fake. Lower off-take, couped wjtTt